

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2020-63-E**

Petition of Bridgestone Americas Tire	)	
Organization, LLC for an Order	)	<b>LATE-FILED HEARING EXHIBIT</b>
Compelling Dominion Energy South	)	<b>NO. 11</b>
Carolina, Incorporated to Allow the	)	
Operation of a 1980 kW AC Solar Array	)	
as Authorized by State Law	)	
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At the merits hearing in the above-referenced docket, Commissioner Ervin requested a Late-Filed Exhibit providing additional information on sale of Renewable Energy Certificates (“RECs”) by Dominion Energy South Carolina, Inc. (“DESC”). The requested information is set forth below.

**Renewable Energy Certificates (RECs)**

A “Renewable Energy Certificate” or “REC” is a certificate, credit, allowance, green tag, or other transferable indicia, howsoever entitled representing generation of one (1) megawatt-hour of energy (or another particular quantity of energy as may be specified by an applicable program) generated by the renewable facility in tandem with the net energy produced by the renewable facility.

### **REC Rights**

Through Power Purchase Agreements, DESC has contractual rights to RECs from approximately 200 MW of solar generation. Additionally, DESC has negotiated a right of first offer provision in power purchase agreements totaling approximately 660 MW of solar generation.

### **REC Pricing**

In voluntary markets (such as South Carolina), RECs can range in price depending on the type (e.g., wind or solar), vintage (year of production), State and Federal policy, and conformance to a specific market standard. Proximity of the generating facility relative to the customer is also a factor. Many of these characteristics are typically defined by the customer and can significantly impact the price. Supply and demand is obviously a component of price as well. Typical prices in voluntary markets range between \$1 and \$6 but are subject to change depending on the factors identified above. In markets affiliated with a program, such as an RPS, prices can range from \$25 to \$400.

### **REC Agreements**

DESC has executed REC agreements in the past and is currently engaged in negotiations with several industrial customers to provide RECs to assist them with their sustainability goals. The ability to purchase RECs from DESC is important to DESC's customers and can be beneficial in luring new businesses to South Carolina. DESC's sale of RECs to its customers provides a way for customers to meet their environmental and sustainability needs and goals and helps to lower the cost of

electricity to DESC's customers given that the proceeds from the sale of RECs are used to lower purchased power costs.

### **REC Tracking**

DESC utilizes the services of the North American Renewables Registry (NAR) to track, retire and assist with attestation of retirements. NAR is an affiliate of APX which manages REC tracking services for many voluntary markets and formal markets such as North Carolina (NC RETS), PJM (GATES) and Texas (REC) to name a few.